

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

WILLARD L. SLOAN, EUGENE J.
WINNINGHAM, and JAMES L. KELLEY,
on behalf of themselves and a similarly
situated class,

Plaintiffs,

Case No. 09-cv-10918
Hon. Paul D. Borman
Magistrate Mona K. Majzoub

v.

Class Action

BORGWARNER, INC., BORGWARNER
FLEXIBLE BENEFITS PLANS and
BORGWARNER DIVERSIFIED
TRANSMISSION PRODUCTS, INC.,

Defendants.

EXHIBIT 31

TO

**PLAINTIFFS' MOTION
FOR SUMMARY JUDGMENT
AS TO LIABILITY**

Borg-Werner
Automotive,
Inc.

200
South
Michigan
Avenue

Chicago
Illinois
60604

Telephone
312 322 8500

December 18, 1995



**BorgWarner
Automotive**

Mr. Donald Dandelske
Vice-President - Client Management
CIGNA Health Care
525 West Monroe
Chicago, IL 60661

RE: Muncie Hourly
Policy 15973/72973

*George,
This was in
follow-up
Call*

Dear Don:

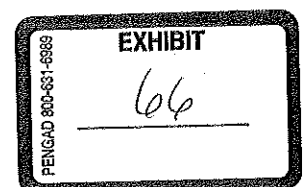
Per today's conversation, attached are 1/1/96 adjustments for stop-loss and deductibles. Also, please note the 4/1/96 changes for A&S, AD&D, T&B and Life Insurance.

Please be sure these are in the CIGNA system. Thanks.

Sincerely,

George Turczynowsky
Director
Group Health & Worker's Compensation

GT:pcw
Enclosure



DTP010497

MUNCIE HOURLY HEALTH PLANS 15973/72973 (Effective 1/1/96)

Insurance Features	Active BR 001 Live In-Area ⁽⁶⁾	Active BR 001 Live Out-of-Area ⁽⁶⁾	Pre-Medicare BR. 65	Pre-Medicare BR. 66	Medicare BR 70 ⁽³⁾
Date of Retirement	--	--	Before 12/1/89	After 12/1/89	Before 12/1/89
<u>Stop-Loss</u>					
a) In-network	\$729 ind./1458 fam.	\$729 ind/1458 fam.	\$300 ind/600 fam.	\$600 ind/1200 fam.	\$175 ind/350 fam.
b) Out-of-network ⁽²⁾	1458 ind/2916 fam.	N/A	N/A	N/A	N/A
<u>Deductible</u>					
a) In-network	\$152 ind/456 fam.	\$152 ind/456 fam.	\$125 person	\$200 person	\$125 person
b) Out-of-network ⁽²⁾	\$304 ind/912 fam.	N/A	N/A	N/A	N/A
<u>In-Patient Hospital</u>					
a) In-network	90%	90%	90%	90%	90%
b) Out-of-network ⁽²⁾	80%	N/A	N/A	N/A	N/A
<u>Out-Patient/Surg/X-Ray/Lab</u>					
a) In-network	100%	100%	100%	100%	100%
b) Out-of-network	80%	N/A	N/A	N/A	N/A
<u>Misc. Major Medical</u>					
a) In-network	80%	80%	80%	80%	80%
b) Out-of-network	70%	N/A	N/A	N/A	N/A
<u>Prescription</u>					
INTRACORP	Retail \$10/5, Mail \$4/3	Retail \$10/5, Mail \$4/3	Retail \$3/2, Mail* \$2	Retail \$7/4, Mail \$2	Retail \$4/2, Mail** \$2
EAP (Gatekeeper)	Yes	Yes	Yes	Yes	N/A
Suppl. Dental/Vision & Hearing	Yes	Yes	Yes	Yes	Yes
Primary Care ⁽⁵⁾	(4)	(4)	Vision only ⁽⁴⁾	Vision only ⁽⁴⁾	Vision only ⁽⁴⁾
Preventive (Wellness)	90%	N/A	90% ⁽⁷⁾	90% ⁽⁷⁾	N/A
	100% In-network	N/A	N/A	N/A	N/A

1) After deductible is satisfied (Misc. M/M = Phys. Therapy/Retiree only, Ambulance/Base, then M/M, Med. Supplies, Oxygen, Podiatrist, Priv. Duty Nursing, Chiropractic Benefits, & Office Visits.

2) Out-of-network disincentives apply to MD's, specialists and hospitals not part of Select Circle and/or Muncie PPO.

3) No PPO benefits or disincentives apply to Medicare participants, i.e. BR. 70, 71 or 72.

4) Benefits same as those benefits prior to 1/1/93.

5) After ded.: *Office visits for PCP paid at 90%
*Primary care/family practitioners, pediatrics, OB/GYN (incentive for in-network only)

6) All other services i.e., X-ray, lab, surgery in PCP office paid at 100%

7) Deductibles/Stop-loss indexed 5%/year through 2002 for in/out-of-network: Rx deductible scheduled increases through 1/1/96.

8) Primary Care Benefit @ 90% ceases when they become eligible for Medicare.

MUNCIE HOURLY HEALTH PLANS 15973/72973 (Effective 1/1/96)

Insurance Features	Medicare BR 071 ^(a)	Medicare BR 072 ^(a) Live In-Area	Pre-Medicare BR. 067 Live In-Area	Medicare/Pre- Medicare Live Out-of-Area
Date of Retirement	After 12/1/89	After 1/1/93 ^(b)	After 1/1/93 ^(b)	After 1/1/93 ^(b)
<u>Stop-Loss</u>				
a) In-network	\$450 Ind/900 Fam. N/A	\$729 Ind/1458 Fam N/A	\$729 Ind/1458 Fam 1458 Ind/2916 Fam	000
b) Out-of-network ^(c)	N/A	N/A		
<u>Deductible</u>				
a) In-network	\$200 Person N/A	\$152 Ind/456 Fam N/A	\$152 Ind/456 Fam \$304 Ind/912 Fam	000
b) Out-of-network ^(c)	N/A	N/A		
<u>In-Patient Hospital</u>				
a) In-network	90% N/A	90% N/A	90% 80%	000
b) Out-of-network ^(c)	N/A	N/A		
<u>Out-Patient/Surg./X-Ray/Lab</u>				
a) In-network	100% N/A	100% N/A	100% 80%	000
b) Out-of-network	N/A	N/A		
<u>Misc. Major Medical</u>				
a) In-network	80% N/A	80% N/A	80% 70%	000
b) Out-of-network	N/A	N/A		
<u>Prescription</u>	Retail \$7/4, Mail \$2	Retail \$10/5, Mail \$4/3	Retail \$10/5, Mail \$4/3	Retail \$7/4, Mail \$2
INTRACORP	N/A	N/A	Yes	Yes Pre-Med.
EAP (Gatekeeper)	Yes	Yes	Yes	Yes
<u>Suppl. Dental/Vision & Hearing</u>	Vision Only ^(d)	Vision Only ^(d)	Vision Only ^(d)	Vision Only ^(d)
Primary Care ^(e)	N/A	90% 100%	90% 100%	N/A N/A
<u>Preventive (Wellness)</u>	N/A			

Notes:

000 Same deductibles and stop-loss as in-network retirees (out-of-network penalties do not apply)

Prescriptions

* \$3/2/2 applies to retirees prior to 10/1/86

** \$4/2/2 applies to retirees after 10/1/86 and before 12/1/89

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